



3 Dividend Kings That Will Get You \$1,000 of Passive Income

Description

It's still up for debate whether Canadians (and Americans, for that matter) are headed into a recession.

But one thing isn't up for debate: whether we're headed towards one or not, everyone can use extra cash in their pockets.

That can mean that planning your TFSA and RRSP to have a diversified portfolio sometimes isn't enough. Investors should also be looking at ways to receive income through dividends in case their solid stocks aren't performing as well as they might in the future.

While it can take a hefty investment, creating a dividend portfolio made for passive income by investing in the right stocks at the right time can mean that not only will you get your money's worth in the long term but monthly as well. That's why today I'm recommending **NFI Group** ([TSX:NFI](#)), **Corus Entertainment** ([TSX:CJR.B](#)), and **Mullen Group** ([TSX:MTL](#)).

NFI

This undervalued bus-and-motor-coach company may not be the most exciting investment, but it's still a solid one. Granted, the company's first-quarter results weren't ideal, sending the [stock a touch lower](#). Revenue decreased by 2% to \$567 million, and earnings decreased by 47% to \$16.1 million.

But the long-term outlook for this stock is strong, and the lower price makes it the perfect time to buy before it possibly heads to \$40 per share in the next 12 months. The company is definitely confident in its long-term outlook, raising its dividend payments to \$0.3875 per quarter and 4.57% annually at the time of writing.

An investment of \$27,132 would get you \$333 per quarter in passive monthly income at current prices.

Corus Entertainment

This company is also a strong one going through a period of decline, making it yet another perfect buying opportunity. While its short-term outlook looks a bit bearish, over the long term it seems to be a stable company with a stable dividend payout.

Declines in revenue and profits in the last year sent the stock down, but this was due to investments made by the company and using its funds to pay of \$117 million in bank loans. Its first-quarter results saw revenue rise 2% year over year to \$467 million after raising advertising revenues, but net income fell to \$70.1 million.

But while this stock is in recovery mode, investors will continue to receive quarterly payments of \$0.06 per share. That means an investment of \$43,734 today would make you \$333 every quarter.

Mullen Group

Just above its 52-week low, Mullen Group is another solid long-term buy. After releasing its first-quarter results, the stock plummeted. While [revenue rose](#) 9.4% year over year to \$27.5 million (a company record), and net income went up to \$10.6 million, analysts downgraded the company, as it didn't beat estimates.

Things could change for this company as the oil and gas industry improves, and that would improve this stock along with it. In the next 12 months, as conditions improve, analysts believe the stock could climb to \$18 per share.

With a dividend yield of 5.01% at the time of writing, investors can receive monthly income of \$0.05 per share. So, an investment of \$22,577 would give you \$333 per quarter.

Bottom line

It's definitely a hefty investment. The total investment needed to make \$1,000 in passive income per quarter comes out to \$93,443. But in 12 months, you'll have a guaranteed extra \$4,000 in your pocket.

Should each of these investments achieve the growth expected, in 12 months' time, that \$93,443 investment could be \$140,946 in just 12 short months.

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

1. TSX:CJR.B (Corus Entertainment Inc.)
2. TSX:MTL (Mullen Group Ltd.)
3. TSX:NFI (NFI Group)

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Date

2025/07/20

Date Created

2019/05/12

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